COMMERCE AVENUE APARTMENTS

47-UNIT MULTIFAMILY PORTFOLIO | HIGH POINT, NORTH CAROLINA

$5,000,000	47	2 BR / 1 BA	$900
ASKING PRICE	UNIT COUNT	UNIT MIX	PRO FORMA RENT

INVESTMENT OFFERING MEMORANDUM

Prepared from owner-provided operating records and property information. July 2026.

EXECUTIVE SUMMARY

47 UNITS

A practical, cash-flow-focused workforce housing opportunity

$5,000,000 ASKING PRICE	**$106,383** PRICE / UNIT	**$398,708** T12 COLLECTED RENT	**$294,501** T12 NOI AFTER MGMT
5.89% CURRENT CAP RATE	**$392,504** PRO FORMA NOI	**7.85%** PRO FORMA CAP RATE	**$900 / unit** PRO FORMA RENT

Investment thesis

Commerce Avenue Apartments is a 47-unit, all two-bedroom portfolio serving value-conscious renters in High Point, North Carolina. The offering is positioned as functional workforce housing rather than a luxury product. The operating strategy emphasizes occupancy, responsive maintenance, disciplined capital spending, and achievable rent growth.

- 47 two-bedroom / one-bath apartments across 19 single-story units and 28 two-story, townhouse-style units.
- Owner reports current new-leasing targets of approximately $800-$825; existing in-place rents vary by unit and lease history.
- Illustrative pro forma uses $900 per month, below the broader Apartments.com comp-set average of approximately $1,017.
- All single-story buildings have new roofs; most single-story apartments have replacement windows.
- Parking areas were patched during the prior winter as a cost-conscious maintenance measure; a full resurfacing is not represented as completed.
- Property is offered as-is, where-is, with condition and financial verification required during buyer due diligence.

Positioning

The property should be evaluated as a C-class / workforce housing asset with a proven operating history and a moderate, realistic rent-growth plan. The value proposition is not based on luxury finishes or aggressive market-rent claims; it is based on attainable rents, tenant utility responsibility, and a lean owner-operated expense base.

ASSET OVERVIEW

47 UNITS

Two complementary apartment configurations along East Commerce Avenue

Location	East Commerce Avenue, High Point, NC
Total units	47 apartments
Unit type	All 2 bedroom / 1 bathroom
Single-story component	19 units; owner reports new roofs and replacement windows in most units
Two-story component	28 townhouse-style units
Construction	Brick and brick/vinyl exterior configurations

Representative two-story exterior and paved parking

Representative single-story brick exterior

Operating profile

- Tenants are responsible for their individual apartment utilities, according to owner-provided information.
- Owner-paid utilities are limited primarily to exterior/security-related services and common operational items reflected in the expense history.
- The historical expense profile reflects hands-on ownership. A 10% management allowance is included in the underwriting presented in this memorandum.

CAPITAL IMPROVEMENTS & PHYSICAL CONDITION

47 UNITS

Straightforward disclosure of completed work and remaining buyer considerations

COMPLETED / REPORTED WORK

- New roofs on all single-story buildings
- Replacement windows in most single-story apartments
- Parking lot patching completed during the prior winter
- Recurring unit-turn work including flooring, appliances, water heaters, doors, vanities and subfloor repairs as documented in expense notes

BUYER DILIGENCE / FUTURE CAPITAL

- Parking areas are serviceable through patching but may require full resurfacing in the future
- Unit finishes vary; this is not represented as a newly renovated or luxury property
- Roof, window, mechanical, plumbing, electrical and structural conditions should be independently inspected
- No capital reserve is included in the stated historical expense total unless specifically shown in owner records

Representative bathroom interior - finishes vary by apartment

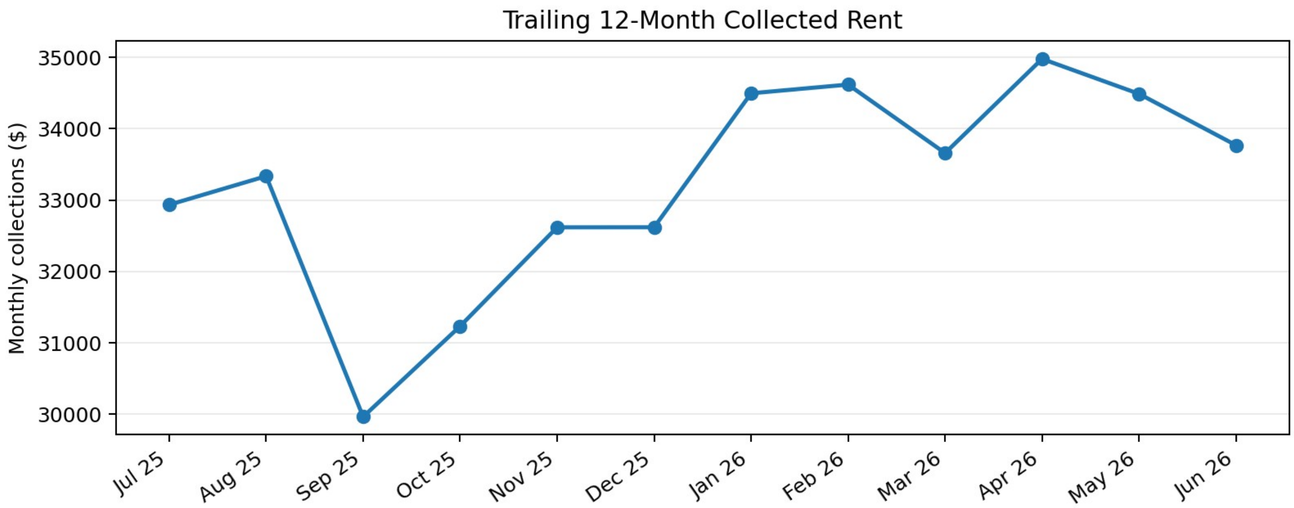
Condition positioning: The property is marketed as functional, maintained workforce housing. The owner has chosen targeted repairs and replacement based on tenant expectations and operating economics rather than comprehensive cosmetic modernization.

HISTORICAL RENT PERFORMANCE

47 UNITS

Owner-provided collections for July 2025 through June 2026

$398,708	**$33,226**	**$707**	**$33,768**
T12 COLLECTED RENT	AVERAGE / MONTH	COLLECTED / UNIT / MONTH	JUNE 2026 COLLECTIONS



Interpretation

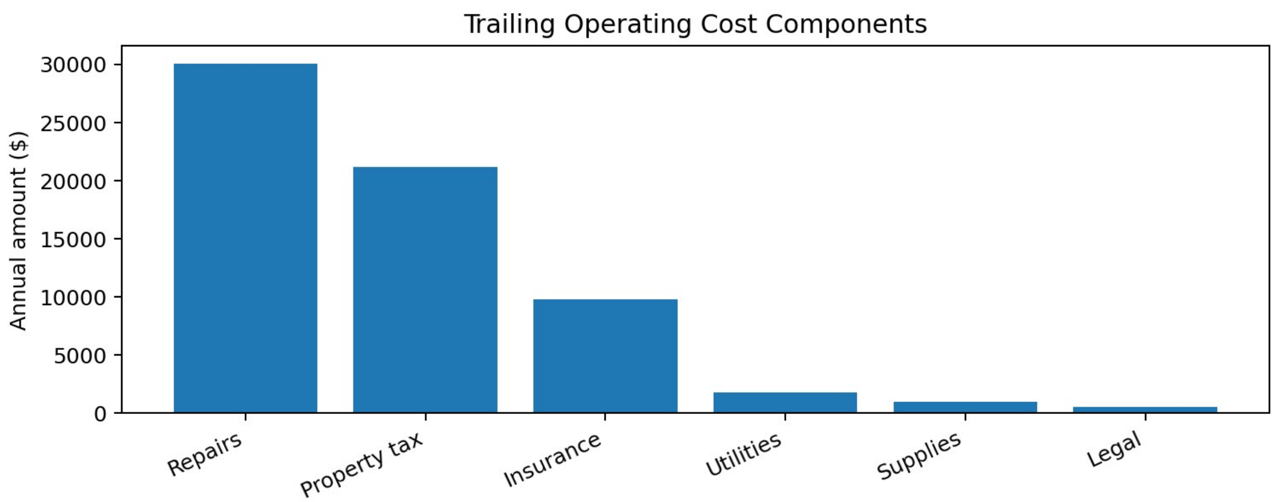
- The trailing rent schedule includes partial-month collections, vacancy/turn periods, late payments and legacy rents; therefore, collected revenue is below simple unit-count times asking rent.
- The owner reports an active leasing target of approximately $800-$825 for current availability. This is not stated as the rent for every occupied unit.
- The $900 pro forma is an illustrative stabilized rent assumption, not a representation that all units can be immediately reset or that turnover costs are zero.

OPERATING EXPENSES & CURRENT NOI

47 UNITS

Trailing 12 months based on the owner-provided expense schedule

Trailing 12-Month Item	Amount
Collected rent	$398,708
Repairs and maintenance	($30,091)
Utilities	($1,771)
Supplies	($987)
Legal	($568)
Property tax	($21,151)
Insurance	($9,768)
NOI before management	**$334,372**
Estimated management (10% of collected rent)	($39,871)
Underwritten current NOI	**$294,501**



Note: The owner-provided expense sheet reports $33,417.12 of trailing operating expenses before property tax, insurance and management. The current cap rate shown here includes a 10% management allowance for comparability with third-party ownership.

ILLUSTRATIVE PRO FORMA

47 UNITS

Stabilized underwriting at $900 per unit per month

Assumption / Line Item	Basis	Annual Amount
Unit count	47 units	-
Monthly rent	$900 / unit	$507,600
Historical operating cost base	T12 excluding tax, insurance and management	($33,417)
Property tax	2025 owner schedule	($21,151)
Insurance	2025 owner schedule	($9,768)
Management	10% of pro forma gross	($50,760)
Pro forma NOI	**Illustrative**	**$392,504**
Pro forma cap rate	**At $5,000,000 asking price**	**7.85%**

Rent sensitivity

Monthly Rent	Gross Scheduled Rent	NOI after 10% Mgmt	Cap Rate @ $5.0MM
$825	$465,300	$354,434	7.09%
$850	$479,400	$367,124	7.34%
$900	$507,600	$392,504	7.85%
$950	$535,800	$417,884	8.36%
$1000	$564,000	$443,264	8.87%

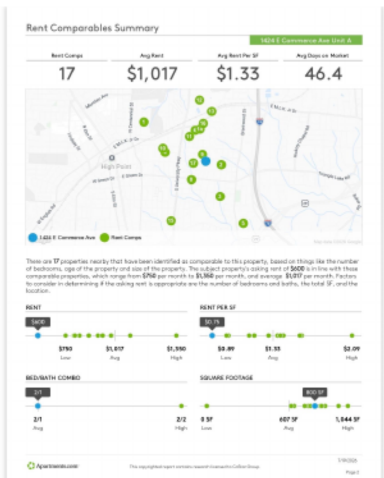
The sensitivity table assumes no separate vacancy deduction because the historical cost base is paired with a full-rent scheduled-revenue scenario. Buyers should apply their own vacancy, bad-debt, payroll, capital reserve and management assumptions.

MARKET RENT CONTEXT

47 UNITS

Third-party comp data used as context - not as a promise of achievable rent

17	$1,017	$1,000	$750-$1,350
COMP PROPERTIES	REPORTED AVERAGE	REPORTED MEDIAN	REPORTED RANGE



Rent Comparables Summary

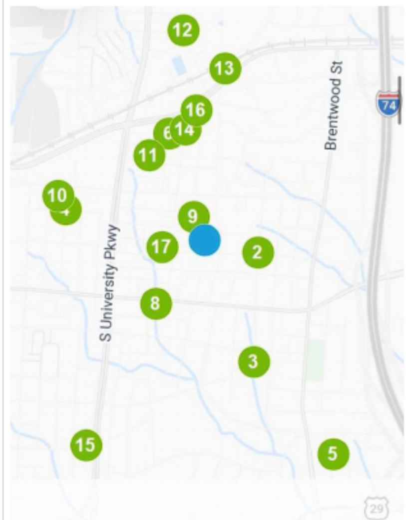
1424 E Commerce Ave Unit A

Rent Comps	Avg Rent	Avg Rent Per SF	Avg Days on Market
17	$1,017	$1.33	46.4

Rent Comparables Summary

1424 E Commerce Ave Unit A

	Property Address	Type/Unit #	Beds	Baths	Miles Away	SF	Rent	Rent/SF	Walk Score	School Rating	Days on Market
1	910 Richardson Ave High Point, NC 27260	House	2	1	0.9	975	$1,350	$1.38	50	5.3	295
2	1701 Franklin Ave High Point, NC 27260	House	2	1	0.2	840	$1,350	$1.61	50	4.6	44
3	1408 Carter St High Point, NC 27260	House	2	1	0.5	647	$1,350	$2.09	40	7.0	142
4	411 Walnut St High Point, NC 27260	House	2	1	0.5	850	$1,350	$1.59	50	4.5	67
5	1109 Garrison St High Point, NC 27260	House	2	1	0.9	768	$1,100	$1.43	40	7.0	2
6	303 Hay St High Point, NC 27260	Apartment	2	1	0.4	775	$1,000	$1.29	50	4.6	145
7	1306 Ragan Ave High Point, NC 27260	Unit B	2	1	0.3	0	$999	-	50	7.0	1
8	1306 Ragan Ave High Point, NC 27260	Unit A	2	1	0.3	0	$999	-	50	7.0	1
9	1416 Furlough Ave High Point, NC 27260	House	2	1	0.1	724	$995	$1.37	40	4.6	22
10	400 Walnut St High Point, NC 27260	House	2	2	0.5	0	$950	-	50	4.5	1
11	1217 Pearson Pl High Point, NC 27260	House	2	1	0.4	1,044	$925	$0.89	50	4.6	18
12	1730-A Brooks Ave High Point, NC 27260	Condo	2	1	0.7	792	$875	$1.10	50	4.0	7
13	1600 E M.L.K. Jr Dr High Point, NC 27260	House	2	1	0.6	624	$875	$1.40	50	5.0	11
14	223 Woodbury St High Point, NC 27260	House	2	1	0.4	750	$825	$1.10	40	4.6	6
15	1108 Grace St High Point, NC 27260	House	2	1	0.8	0	$800	-	40	4.3	12
16	208 Windley St High Point, NC 27260	Unit C	2	1	0.4	877	$795	$0.91	40	5.0	4
17	1235 Franklin Ave High Point, NC 27260	House	2	1	0.2	650	$750	$1.15	40	6.3	12



Underwriting approach

- The Apartments.com report displayed a broader market average near $1,017, but the comp set may include properties with superior parking, central HVAC, amenities or renovated finishes.
- The subject screenshot included an old $600 listing. That figure is excluded from the current-rent narrative because the owner states it is stale.
- The owner reports current leasing efforts around $800-$825. The memorandum uses $900 as a measured pro forma - below the reported comp-set average and above current leasing targets. Buyers should independently verify achievable rents.

REPRESENTATIVE UNIT INTERIORS

47 UNITS

Apartment finishes and conditions vary

Kitchen and living area

Updated interior

Representative bedroom

Photographs are representative only and should not be interpreted as showing every unit or guaranteeing identical finishes, appliances, flooring or condition.

OFFERING PROCEDURES & DISCLAIMER

47 UNITS

Confidential - for qualified prospective purchasers only

Basis of information

This memorandum was prepared from owner-provided rent and expense schedules, owner statements regarding the property, property photographs, and Apartments.com screenshots. Financial figures have been recalculated from the supplied schedules where practical. The trailing 12-month period used in this memorandum is July 2025 through June 2026.

Important limitations

- No representation or warranty, express or implied, is made as to the accuracy or completeness of any information in this memorandum.
- Historical collections may include timing differences, partial payments, delinquency, vacancy and unit-turn effects. They are not a guarantee of future collections.
- Pro forma figures are illustrative assumptions only. They do not include all possible payroll, vacancy, bad debt, replacement reserves, capital expenditures, financing costs, acquisition costs or taxes.
- Physical-condition statements are based on owner reports and photographs, not an independent property-condition assessment.
- Prospective purchasers must independently inspect the property, verify leases, deposits, tenant balances, utility responsibility, taxes, insurance, zoning, code compliance, title, environmental condition and all operating statements.
- The property is offered as-is, where-is, with all faults, subject to a mutually acceptable purchase agreement.

Key reconciliation

T12 collected rent: $398,708. T12 non-tax operating expenses: $33,417. Property tax: $21,151. Insurance: $9,768. Current underwritten NOI after a 10% management allowance: $294,501. Pro forma NOI at $900 monthly rent and 10% management: $392,504.

Commerce Avenue Apartments - High Point, North Carolina